

TRAFFORD COUNCIL

Report to: Scrutiny Committee
Date: 22nd January 2024
Report for: Decision
Report of: Scrutiny Committee Chair
Report Title

OVERVIEW AND SCRUTINY REVIEW OF THE EXECUTIVE'S DRAFT BUDGET PROPOSALS FOR 2025-26

Summary

The Executive's Draft Budget Proposals for 2025-2026 were agreed at its meeting held on 21st October 2024.

Two Budget Scrutiny Working Group sessions were held on the 25th and 27th November 2024 with the relevant Executive Members and Senior Officers in attendance to address Members questions. Members were also provided with background information on the budget proposals.

This report reflects the outcome of those discussions, summarises areas, and provides recommendations for the Executive to consider in developing its final budget proposals and response to the Scrutiny Committee.

Recommendation(s)

The Scrutiny Committee are asked to approve the following recommendations for submission to the Executive:

- 1. That the Executive provide Scrutiny with an update on the implementation of the garden waste collection charge, focusing on any unexpected challenges and any issues caused to residents.**
- 2. That the Executive works towards maximising revenue potential from its advertising option and provide Scrutiny with an update on any future financial benefit.**
- 3. That the Executive explores options to increase the uptake of parking across the Borough, in Council owned car parks, along with a greater diverse use of the Boroughs car parks to maximise income for the Council.**

4. That following the announcement of the Local Government Settlement announcement, the Executive and the Director of Finance provide all Members with a short briefing note, on its impact to Council Finances.
5. That the Executive Member for Finance, Governance and Change update Members on any issues in achieving the targets set within the Children's Budget, especially regarding the costs of EHCPs in the Borough.
6. That the Executive inform Members of any issues which might arise should the savings through the service vacancy factor be impacted.
7. That Scrutiny recommends that further work is undertaken to raise awareness to residents of support available regarding payment of Council Tax for any residents that are struggling to pay.
8. That Scrutiny acknowledge the difficult circumstances the Executive and Members are working in trying to set a balanced budget and commend the hard work of Officers, and the Executive in preparing the 2025-26 Budget, particularly in light of the financial challenges facing the Council and across the local Government sector as a whole.

Background Papers: None

Contact person for further information:

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BUDGET SCRUTINY REPORT – 2024/25

Foreword by the Chair of Scrutiny Committee

Trafford Council has to plug a budget gap of nearly £26m for the next financial year.

As a Council, we've suffered more than £300m of cuts over the last 15 years. In spite of our services being more in demand.

Our Council leader Tom Ross said setting next year's budget "has been one of the toughest challenges he has faced in his political career."

Balancing the books is getting harder every year. As Councillors and, as an authority, we've faced making tough and unpopular decisions.

I'm sure I speak for the majority of Councillors when I say no one takes up public office wanting to oversee cuts to our services or higher charges to residents or local businesses.

This huge financial strain is unsustainable, even for a well-run Council like Trafford.

Scrutiny reviewing and commenting on draft budget proposals is one of the most important pieces of work we do. I'd like to thank everyone who contributed to this vital work, your contributions were invaluable.

I'd also like to express my gratitude to the Executive, Corporate Leadership Team, and every Trafford Council employee. They continue to go above and beyond for our residents and businesses in difficult times. The dedication you show to our communities is nothing short of inspirational.

As one of the 20 worst funded councils in the country, with the second lowest in Greater Manchester, Trafford are in desperate need of fairer funding. Only this would enable us to give the right support to the most vulnerable in our society.

As I look to 2025, I am hopeful in our next budget review we will be able to tell a more positive story. One Trafford deserves.

Councillor Fianna Hornby

Chair, Scrutiny Committee.

January 2025

Background

1.1 The draft Budget proposals were presented to the Scrutiny Committee on the 6th November 2024 by the Director of Finance, covering the current budget, the latest 2024/25 Monitoring Position, forecasts for the years 2025/26 and 2026/27, the key budget assumptions, and the draft savings programme for 2025/26.

1.2 Similar to previous years, two further budget scrutiny sessions took place. The first of these sessions focused upon Children's and Adult's Services, whilst the second focused upon the Place directorate budget and the Council's Investment Strategy. The Corporate Director for Children's Services, Interim Corporate Director for Adults' Services, and Corporate Director for Place attended their relevant sessions.

1.3 A presentation was produced, covering information for both sessions, and circulated to Councillors on the 19th November 2024, which gave Scrutiny Members time to review the documents prior to the sessions and request additional information.

2. Key Messages

2.1 Over the course of the Budget Scrutiny process several key themes, detailed below, emerged as being of particular interest to Scrutiny Members.

2.2 Garden Waste Collection Charge

2.2.1 During the second session, several Members discussed the reintroduction of a garden waste collection charge for green bins across the Borough. Scrutiny raised several concerns with the charge including the risks behind its reintroduction; mitigation against any possible risks that could occur; the cost to residents; and possible inclusion issues.

2.2.2 The Corporate Director for Place recognised the risk associated with take up, however, reassured Members that the income target was based at 35,000 households, which was significantly lower than when the charge was in previously. The Corporate Director informed Members that there were not other options available to generate the level of income expected through the charge, with 73% of Local Authorities across the country already implementing a charge.

2.2.3 Some Members were concerned by the future if this charge is all that could be done to generate the level of income, questioning what could be done in the future to bridge the budget gap. The Corporate Director for Place recognised the challenging condition the Council found itself in. Members were reassured that there was several workstreams ongoing in other directorates to bridge the gap but accepted that more challenging proposals might need to be considered in the future.

Recommendations:

That the Executive provide Scrutiny with an update on the implementation of the garden waste collection charge, focusing on any unexpected challenges and any issues caused to residents.

2.3 Advertising

2.3.1 Several Members raised the financial gain obtained through highway advertising. One Member had not been aware of the Council's benefits from this and enquired about the locations of these. The Corporate Director for Place informed Members, that, for example, the arch over White City on Council land generated income for the Council.

2.3.2 Members asked further how the decision was made on what could be advertised and asked whether there was capacity for the level of advertisement to increase. The Corporate Director spoke of the possible increase, which included the move from paper screens to digital boards which can generate greater income.

Recommendation:

That the Executive works towards maximising revenue potential from its advertising option and provide Scrutiny with an update on any future financial benefit.

2.4 Parking

2.4.1 Income generated through parking was raised by Members. The Corporate Director for Place recognised that the income generated through Council owned car parks had reduced in recent year, recognising the work required in the area to increase its output.

Recommendation –

That the Executive explores options to increase the uptake of parking across the Borough, in Council owned car parks, along with a greater diverse use of the Boroughs car parks to maximise income for the Council.

2.5 Local Government Settlement

2.5.1 Members and Officers across all sessions recognised the possible impact the Local Government Settlement from central government might have on future budgets and the financial support and implications which could come through it.

2.5.2 Due to the turnaround of the sessions and the Budget being published, another session would be feasible, however, Councillors requested that the impact be shared with them.

Recommendation –

That following the announcement of the Local Government Settlement announcement, the Executive and the Director of Finance provide all Members with a short briefing note, on its impact to Council Finances.

2.6 Education, Health and Care Plans (EHCP)

2.6.1 Several Members recognised the rise in EHCP's in the Borough, with many asking how this compared with other Local Authorities. The Director of Education confirmed the growth was not dissimilar to other authorities currently. The Director informed Members that that level of EHCPs was higher than the national average in Trafford, with the proportion of children receiving SEN support being below the national average, recognising that this needed to be the other way round.

2.6.2 Recognising that Children's service is dealing with more complex needs than ever before, Members asked whether savings within the budget were achievable. The Corporate Director for Children's Services reassured Members that the Director for Finance only signs of achievable targets, with mitigations in place if needed.

Recommendation –

That the Executive Member for Finance, Governance and Change update Members on any issues in achieving the targets set within the Children's Budget, especially regarding the costs of EHCPs in the Borough.

2.7 Service Vacancy Factor

2.7.1 Some Members asked for clarification on the meaning behind the service vacancy factor within the Budget. The Corporate Director for Place informed Members that this was the saving made from a member of staff leaving their role at the Council and the post being filled.

2.7.2 The Corporate Director added that the saving included assumed that posts would remain unfilled for a period. Currently, Members were made aware that the vacancy factor was currently four weeks on average.

Recommendation –

That the Executive inform Members of any issues which might arise should the savings through the service vacancy factor be impacted.

2.8 Council Tax

2.8.1 Several Members discussed the level of Council Tax in the Borough in the first session and asked if the Leader of the Council had any predictions on any possible changes to its level. Members were concerned by the impact any rise might have on residents in the Borough, recognising the impact at the current level.

2.8.2 The Leader of the Council echoed those concerns, but also asked Members to be mindful of the budgetary impacts on any rise or fall, with savings required to found.

Recommendation –

That Scrutiny recommends that further work is undertaken to raise awareness to residents of support available regarding payment of Council Tax for any residents that are struggling to pay.

2.9 Acknowledgement of Financial Circumstances

2.9.1 Members across all three sessions, whilst providing Scrutiny to the Budget, recognised the significant financial pressures local authorities such as Trafford are under. Several Members identified the Director of Finance, their team, and the Executive Member for Finance, Change and Governance, for their hard work to produce the Budget.

Recommendation –

That Scrutiny acknowledge the difficult circumstances the Executive and Members are working in trying to set a balanced budget and commend the hard work of Officers, and the Executive in preparing the 2025-26 Budget, particularly in light of the financial challenges facing the Council and across the local Government sector as a whole.